

## State of Utah DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS AND MINING

355 West North Temple 3 Triad Center, Suite 350 Salt Lake City, Utah 84180-1203 801-538-5340

February 13, 1992

Mr. Bruce A. Czyl Property Insurance Manager USG Corporation 101 South Wacker Drive Chicago, Illinois 60606-4385

Dear Mr. Czyl:

Re: <u>Irrevocable Letter of Credit, Northern Trust ILOC #: U.S. Gypsum Corporation, Jumbo Jensen Quarry, M/041/008, Sevier County, Utah</u>

This Division has reviewed your February 7, 1992 letter advising us of USG Corporation's (USGC) progress in acquiring a replacement reclamation surety for the ILOC presently held for the Jumbo Jensen Quarry. The ILOC is scheduled to expire on its May 31, 1992 anniversary date. Your letter indicated that the Northern Trust is willing to extend the current ILOC through December 31, 1992. This should provide USGC with enough time to acquire a replacement reclamation surety.

As you may recall, the reclamation surety estimate for the Jumbo Jensen Quarry is scheduled for our reevaluation in 1993 (i.e., 5-yr renewal). The Division will need to perform a thorough mine site evaluation as part of our reassessment of the existing surety amount held for reclamation of the Jumbo Jensen Quarry. We anticipate conducting this inspection during the summer or early fall of 1992. This will provide us with sufficient time to notify USGC of any required adjustments to the existing surety. In turn, this should give USGC enough time to submit a replacement surety before the ILOC's December 31, 1992 expiration date.

The Division hereby accepts your proposal to extend the current ILOC's expiration date from May 31, 1992 until December 31, 1992. We hereby request formal notification from the Northern Trust Company verifying their commitment to extend the expiration date of ILOC; We will contact the appropriate mine personnel regarding scheduling a specific date for our mine site inspection. This will likely occur during July or August 1992.

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Thank you for your cooperation in this regard. Please contact me if you have further questions or concerns regarding this matter.

Sincerely,

D. Wayne Hedberg Permit Supervisor

**Minerals Regulatory Program** 

jb

John Price, Northern Trust Co. cc:

Lowell Braxton, DOGM

Minerals staff (route)

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